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November 14, 2017

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Petition of South Carolina Electric & Gas Company for an Accounting Order to Defer the Depreciation and Amortization Expenses as Well as the Incremental Operation and Maintenance Expenses That Will Be Incurred as a Result of Complying with the Cyber Security Regulations Promulgated by the United States Nuclear Regulatory Commission; Docket No. 2015-372-E

Dear Ms. Boyd:

By Order No. 2015-790, issued in the above-referenced docket, the Public Service Commission of South Carolina ("Commission") authorized South Carolina Electric & Gas Company ("SCE&G" or "Company") to defer as a regulatory asset no more than \$9,100,000 during the five-year time period of January 1, 2015, to December 31, 2019, in depreciation and amortization expenses as well as incremental operation and maintenance expenses the Company will incur as a result of complying with certain cyber security requirements promulgated by the United States Nuclear Regulatory Commission. As part of its order the Commission stated, "[t]he Company shall file with the Commission and the Office of Regulatory Staff quarterly reports regarding the cyber security expenses." See Order No. 2015-790. The purpose of this letter is to provide the Commission and ORS with a status update on the deferred expenses.

As of September 30, 2017, the deferred expenses total \$3,996,416.

(Continued . . .)

The Honorable Jocelyn G. Boyd

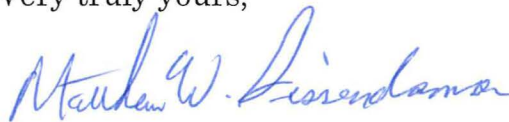
November 14, 2017

Page 2

By copy of this letter, SCE&G is providing the South Carolina Office of Regulatory Staff with this status update of the deferral account.

If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,



Matthew W. Gissendanner

MWG/kms

cc: Dawn Hipp
Jeffrey M. Nelson, Esquire
(both via electronic and U.S. First Class Mail)